

to open its local market to competition. Obviously, the same processes, systems, personnel and facilities are used by competitors in other areas in BellSouth's region as a basis for vigorous local competition. Therefore, this Commission must conclude that BellSouth has met the burden of establishing that its local market in South Carolina is open to competition.

2. Long Distance Competition

In 1982, this Commission became the first state commission in this country to approve a request for authority to provide competitive long distance service in the State of South Carolina. Since then, this Commission has established a history of encouraging competition in all long distance markets in South Carolina. In fact, this Commission has approved over 400 certificates for long distance authority.

This Commission has been greatly concerned over the last several years as the major long distance providers have instituted several rounds of lock-step price increases in their basic rate schedules. Furthermore, this Commission has never been able to establish whether or not reductions in intrastate access charges have been passed through to long distance customers. Several witnesses in this proceeding have established that for large business customers, in particular, the long distance market is competitive. However, many residence customers who do not subscribe to discount plans or who subscribe

to discount plans based on basic rate schedules have seen their long distance rates increase over the past few years.

B. Overview of the Act

The Act is a landmark bill in the history of telecommunications. Prior to its enactment, the Modification of Final Judgment barred Regional Bell Operating Companies ("RBOCs") from providing interLATA service, and exclusive state franchises or grants of authority protected RBOCs from competition in their local service territories. The 1996 Act intended "to provide for a procompetitive, deregulated national policy framework designed to accelerate rapidly private sector deployment of advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition." S. Rep. No. 230, 104th Cong., 2d Sess. 1 (1996) ("Conference Report") (emphasis supplied). Congress debated for many months the best way to open all telecommunications markets, and the Act that emerged reflects a balanced set of rules designed to govern comprehensively both the opening of the local markets and the opening of the in-region interLATA markets to competition by the RBOCs.

The first step was opening local telecommunications markets. See, 142 Cong. Rec. S688 (daily ed. Feb. 1, 1996) (statement of Sen. Hollings) (Bell companies must "open their networks to competition prior to their entry into long distance"). Congress set out specific requirements for opening local markets in

Sections 251-253 of the Act and made entry into long distance under Section 271 conditional upon the BOCs doing so. 141 Cong. Rec. S8138 (daily ed. June 12, 1995) (statement of Sen. Kerrey); see, 141 Cong. Rec. S8152-8153 (daily ed. June 12, 1995) (statement of Sen. Breaux) (BOCs allowed to sell long distance and required to open local exchange markets).

Congress did not simply remove the legal barriers to entry and leave new entrants to fend for themselves against entrenched incumbents.¹ To assist new entrants into the local market, Congress went to extraordinary lengths to ensure that new entrants will have available to them -- in addition to facilities of their own -- a set of functions, capabilities and services from the established incumbent's network to begin providing competing local exchange service. The complete set of functions, capabilities and services arise out of a combination of obligations imposed on incumbent LECs under Section 251 (a) (b) and (c).² As stated by the Eighth Circuit Court of Appeals:

The Act effectively opens up local markets by imposing several new obligations on the existing providers of local telephone service in those markets. . . . Among other duties, the Act requires incumbent LECs (1) to allow other telecommunication carriers (such as cable television companies and current long distance providers) to interconnect with the incumbent LEC's existing local network

¹ Congress removed and prohibited any legal barriers to local competition in Section 253 of the Act.

² Section 251(a) and (b) set forth obligations imposed on all telecommunications carriers and all local exchange companies (not just incumbent LECs). The duties imposed on all telecommunications carriers and local exchange carriers, as well as incumbent LECs, include the duties to provide number portability, dialing parity, access to telephone numbers, operator services, directory assistance and directory listings, access to rights of way and reciprocal compensation for the transport and termination of telecommunications. Each of these duties has a place on the 14-point competitive checklist set forth in Section 271(c) (2).

to provide competing local telephone service (interconnection); (2) to provide other telecommunication carriers access to elements of the incumbent LEC's local network on an unbundled basis (unbundled access); and (3) to sell to other telecommunication carriers, at wholesale rates, any telecommunications service that the incumbent LEC provides to its retail customers (resale).

Iowa Utilities Bd. v. FCC, 109 F.3d 418, 421-22 (8th Cir. 1996).

The court also noted that "[t]o accomplish these directives, the Act places a duty on incumbent LECs to privately negotiate in good faith comprehensive agreements with other telecommunication carriers seeking to enter the local market." Id. at p. 422 (Citing 47 U.S.C. §§ 251(c)(1), 252(a)). And the court further observed: "If the incumbent LEC and the carrier seeking entry are unable to reach a negotiated agreement, either party may petition the respective state commission to conduct a compulsory arbitration of the disputed issues and arrive at an arbitrated agreement." Id. (Citing 47 U.S.C. §§ 252(b)).

In addition to negotiating and to arbitrating private agreements with new entrants, the Act affords incumbent LECs ("ILECs") the unconditional right to prepare and file at any time a statement of generally available terms and conditions. Section 252(f) provides that:

A Bell operating company may prepare and file with a State commission a statement of the terms and conditions that such company generally offers within that state to comply with the requirements of section 251 and the regulations thereunder and the standards applicable under this section. (emphasis supplied)

47 U.S.C. § 252(f)(1). Once approved by the Commission, the Statement can provide the proper vehicle for CLECs to use to

enter the local market quickly without having to negotiate an interconnection agreement with an ILEC. The Statement may be particularly useful to smaller carriers that wish to do business with the ILEC without becoming involved with formal negotiations.

Approval of a statement of general terms and conditions is also an important step which can be used by an RBOC to obtain authorization to provide in-region interLATA services. An RBOC may use an approved statement to demonstrate its compliance with the application process described in 47 U.S.C. § 271(c)(2)(B) (Track B), which requires an RBOC to show that such a statement has been approved or has been permitted to take effect. Further, while an application to the FCC under 47 U.S.C. § 271(c)(2)(A) (Track A) does not explicitly require an approved statement, an RBOC could presumably use an approved statement to supplement interconnection agreements with CLECs that may not include all items from the checklist.

A state commission may not approve such a statement unless it complies with Section 251 and the pricing standards for interconnection, UNE's and resale contained in Section 252(d). This is the same standard to be applied by this Commission for approval of arbitrated agreements. Compare 47 U.S.C. § 252(f)(2) with 47 U.S.C. § 252(e). The state commission to which a statement is submitted shall, not later than 60 days after the date of such submission, complete its review of such statement (unless the submitting carrier agrees to an extension of the

period for such review); or permit such statement to take effect without actually approving it. 47 U.S.C. § 252(f)(3) & (4).

Thus, in order to approve BST's Statement, the Commission must find that it complies with Section 251 and the pricing standard contained in Section 252(d). These provisions require BST to offer number portability; dialing parity; access to telephone numbers, operator services, directory assistance and directory listings; access to rights of way; reciprocal compensation for the transport and termination of telecommunications; interconnection at any technically feasible point; resale of retail services at an avoided cost discount; and access to unbundled network elements at rates based on cost.

The complete set of functions, capabilities and services made available to CLECs by the legal obligations imposed on BST in Sections 251 and 252(d) are the same as the items contained in the 14-point competitive checklist in Section 271. Accordingly, a finding by the Commission that BST's Statement satisfies the obligations under Sections 251 and 252(d) necessarily includes a finding that the Statement meets the 14-point competitive checklist under Section 271. For this reason and for ease of discussion, the Commission describes below how the Statement complies with Section 251 and Section 252(d) with reference to each item on the competitive checklist.

In order to satisfy the checklist under 47 U.S.C. § 271(c)(2)(B), (Track B), BST must show that it "offers all of the

items included in the competitive checklist" through its statement of generally available terms and conditions. (emphasis supplied). BST has made this showing. To "offer" means "to make available." Webster's New Collegiate Dictionary (1973). Approval of the Statement does not require BST to demonstrate that it is actually providing each checklist item. However, BST has established that it has actually provided each item in its nine-state operating region. The Act requires only that the items in the Statement be "generally offered", and that the rates, terms and conditions of the items are consistent with Section 251 and 252(d) of the Act.³

C. BST's Statement Meets the Requirements of the 14-Point Competitive Checklist

The Commission finds that the rates, terms and conditions of interconnection, unbundling and resale in the Statement comply with Section 251 and 252(d) of the Act. They reflect in a very specific and detailed way the Commission's rulings in the BellSouth-AT&T arbitration proceeding in Docket No. 96-358-C and are consistent with the voluntary interconnection and/or resale agreements executed by BST and various CLECs. BST has executed over 100 such agreements region-wide and this Commission had approved approximately 40 such agreements in the state of South

³ See, 47 U.S.C. § 252 (f) (1) & (2) (Bell company "may prepare and file a statement of the terms and conditions that such company generally offers within the state to comply with the requirements of section 251" and state commission can approve such statement if it "complies with subsection (d) of this section and section 251); see also, 47 U.S.C. § 271(c) (2) (Bell company meets requirements of section 271(c) if it is "generally offering access and interconnection pursuant to a statement" that meets the competitive checklist).

Carolina as of the hearing in this matter. Approximately 10 of the CLECS that have approved interconnection agreements with BST in South Carolina have received Commission approval to operate as CLECs within the State. Other CLEC applications are pending.

The record reflects that BST has supplied the personnel, resources and procedures to provide the checklist items to CLECs upon request. As testified by BellSouth witness Bill Stacy, BST has created an entire new officer-level organization, Interconnection Operations, which is responsible for all operational aspects of provisioning and maintaining services for CLECs. As a part of its efforts to serve its CLEC customers, BST has established two ordering centers in Birmingham and Atlanta dedicated to CLEC customers. These centers currently have approximately 280 employees. They will be staffed by approximately 320 employees by the end of 1997. A Customer Support Manager is assigned to each CLEC to provide a single liaison point if a CLEC customer has operational issues that are not satisfactorily resolved by the normal center processes. BST has gathered forecasts of expected transaction/order volumes from its CLEC customers to allow it to project ordering volumes, provisioning volumes, and trouble reporting volumes and to staff its support systems accordingly. BST also has developed the methods and procedures for the functions of pre-ordering, ordering and provisioning, maintenance and repair, and billing which provide CLECs with access to the required information and

functions in substantially the same time and manner as BellSouth's access for its retail customers.

Although AT&T, MCI, and others challenged BST's ability to offer the checklist items, they offered no evidence to dispute that BST has, in fact, been providing the checklist items in substantially the same time and manner as it does for its retail operations.

Checklist Item No. 1: Interconnection in accordance with the requirements of Sections 251(c) (2) and 252(d) (1)

Interconnection permits the exchange of local traffic between the networks of BST and a CLEC over trunks terminated at specified interconnection points. Section I of BST's Statement provides for complete and efficient interconnection of requesting telecommunications carriers' facilities and equipment with BST's network. This involves the following components: (1) trunk termination points generally at BST tandems or end offices for the reciprocal exchange of local traffic; (2) trunk directionality allowing the routing of traffic over a single one-way trunk group or a two-way trunk group depending upon the type of traffic; (3) trunk termination through virtual collocation, physical collocation, and interconnection via purchase of facilities from either company by the other company; (4) intermediary local tandem switching and transport services for interconnection of CLECs to each other; and (5) interconnection billing. Although the Commission discusses the issue of rates in

more detail below, the Commission notes here that BST has included in its Statement rates within the interim FCC proxy rates that the Commission ordered BST and AT&T to use in their interconnection agreement for call transport and termination.

Finally, as testified by BellSouth witness Keith Milner, BST has procedures in place for the ordering, provisioning, and maintenance of its interconnection services as well as technical service descriptions outlining its local interconnection trunking arrangements and switched local channel interconnection. Mr. Milner presented unrefuted testimony that, as of June 1, 1997, BellSouth had installed approximately 19,360 interconnection trunks from CLECs' switches to BellSouth's switches in BellSouth's nine-state region. Mr. Milner also testified that BellSouth has successfully tested its capabilities to provide each of these items.

The Intervenor presented no evidence to rebut the testimony of Mr. Scheye and Mr. Milner regarding BellSouth's proven ability to offer this checklist item. AT&T's witness, Mr. Hamman, testified that, in his opinion, BST had not met this checklist item because BST had purportedly not fully satisfied AT&T's interconnection needs set forth in the BellSouth-AT&T interconnection agreement. Irrespective of whether AT&T and BST have reached a satisfactory resolution of that issue, however, the fact remains that BST has provisioned in excess of 19,000 interconnection trunks to date. The test that BST must meet is

not whether BST satisfied every condition of a private arbitration agreement with AT&T. Rather, BST must show that it has made interconnection generally available to CLECs, as required by Section 252(f). BST has made this showing.

Checklist Item No. 2: Nondiscriminatory access to network elements in accordance with the requirements of Sections 251(c) (3) and 252(d) (1)

This checklist item reflects BST's general obligation under Section 251(c) (3) to provide nondiscriminatory access to network elements on an unbundled basis at any technically feasible point under just and reasonable rates, terms, and conditions. Further, requesting carriers are allowed to combine elements in order to provide telecommunications services. Since many of the unbundled network elements BST will provide fall under other items in the 14-point checklist, the Commission will discuss those specific elements under their respective checklist items below. The discussion here will include collocation, operations support systems, and the Bona Fide Request process that BST will use to facilitate requests by any new entrant for interconnection or UNE's not specifically included in the checklist or BST's Statement. The Commission will analyze the appropriateness of BST's proposed rates for UNE's in Section IV.C. below.

a. Collocation

While not specifically mentioned as a checklist item, Section 251(c) (6) charges BST with the duty to provide the physical collocation of equipment necessary for interconnection

or access to UNE's at rates, terms and conditions that are just and reasonable. This process will allow a CLEC access to BST's switching offices, for example, so that the CLEC may place its switches alongside BST's equipment. BST will provide virtual collocation where physical collocation is not practical for technical reasons or space limitations.

Mr. Milner testified that BST has technical service descriptions and procedures in place for the ordering, provisioning and maintenance of its collocation services. Since late 1996, one CLEC's facilities have been physically collocated in BST's Courtland Street Central Office in Atlanta. Although no CLEC in South Carolina has ordered a physical collocation arrangement, 56 physical collocation arrangements were in progress at the time of this hearing across BellSouth's region. There is also no dispute that virtual collocation is available from BellSouth, as evidenced by the five virtual collocation arrangements in place at the time of the hearing and one additional arrangement in progress. Further, Mr. Milner testified that BellSouth had 133 virtual collocation arrangements in service to CLECs across its region as of May 31, 1997 with an additional 45 arrangements in progress.

b. Operational Support Systems

The Commission finds that BST's electronic interfaces through which the CLECs must access necessary operational support systems permit the CLECs to access those systems in a

nondiscriminatory manner. Not only did the testimony of BST witness Ms. Gloria Calhoun establish that BST's operational support systems provide CLECs with the functionalities they need to provide local telecommunications services in competition with BST, her testimony also demonstrated that the CLECs who desire access to these operational support systems have adequate access to them.

The electronic interfaces that BST has in place generally provide non-discriminatory access to BST's operational support systems in the manner required by the FCC. The FCC has stated that the CLECs must have access to the incumbent local exchange company's operational support systems "in substantially the same time and manner that an incumbent can for itself." See, FCC First Report and Order, ¶ 518. Further, the FCC also required access to operational support systems "under terms and conditions that would provide an efficient competitor with a meaningful opportunity to compete." Id. at ¶ 315. In considering whether the electronic interfaces provide CLECs with the access to BST's operational support systems as required by the Act, this Commission uses the same standard articulated by the FCC.

Ms. Calhoun's testimony confirmed that BST's electronic interfaces provide access to BST's operational support systems for pre-ordering, ordering, maintenance and repair, and billing that is substantially the same as, and in many cases better than, that which it provides to personnel supporting BST's retail

customers. In evaluating these interfaces, the Commission has been careful to distinguish between the legal standard that BST must meet in order to show compliance with the competitive checklist set forth in 47 U.S.C. § 271(c)(2)(B), and the higher standard that BST has set for itself in seeking to accommodate the desires of certain large CLECs, such as AT&T. Although AT&T and other CLECs may ultimately be BST's competitors, AT&T and other CLECs will also be BST's customers. Therefore, BST will undoubtedly provide AT&T and others with services that go beyond that which is required by the Act.

The competitive checklist is simply the minimum standard that BST must meet in order to seek permission to enter the interLATA long distance market. Although that minimum standard has already been reached, BST's testimony shows that it will continue to upgrade and to enhance its systems. However, the Commission does not construe the continuing improvement of certain aspects of BST's interfaces as an admission that the systems do not already fulfill the competitive checklist. The protestations of AT&T and others notwithstanding, the fact is that the electronic interfaces for pre-ordering, ordering and provisioning, maintenance and repair, and billing are operational and comply with the competitive checklist today. These interfaces are discussed briefly below.

1. Pre-ordering

Ms. Calhoun's testimony established that BST's electronic interfaces for preordering comply fully with the requirements of the Act and the FCC Order. The LENS interface permits CLECs to obtain, in substantially the same time and manner as BST, the following:

- (1) address validation;
- (2) telephone number selection, including special number assignment;
- (3) product and service selection;
- (4) due date information; and
- (5) customer record information.

LENS is a graphic "point and click" interface which CLECs may use region-wide for both residence and business support. In contrast, BST personnel must use at least two systems, one supporting residence and one supporting business.

In addition, BST has agreed to provide AT&T with a customized pre-ordering interface designed to AT&T's specifications, which goes beyond the requirements of the Act. BST's willingness to accommodate AT&T should not be construed as proof that LENS is non-compliant. The Commission recognizes that while AT&T criticizes LENS as being a non-industry standard interface, there is currently no industry standard for pre-ordering. Thus, AT&T's own customized interface is not an industry standard.

2. Ordering and Provisioning

BST's ordering and provisioning systems accumulate and format the information, such as pre-ordering information, needed to enter an order in BST's Service Order Control System ("SOCS"). Without repeating the detailed discussion of these systems set forth in Ms. Calhoun's testimony, the Commission does emphasize that BST employs two industry-standard ordering systems, depending upon the type of service ordered. The first is the EDI interface for resale orders and simple unbundled network elements, such as unbundled ports. EDI permits CLECs to order for resale 30 retail services that account for most of BST's retail revenue. These orders can be entered into SOCS without manual intervention. EDI also can be used to support orders for unbundled local loops, unbundled ports, interim number portability, and local loop/interim number portability combinations.

Additionally, EDI allows CLECs to place orders for four "complex" services, such as PBX trunks or SynchroNet® service. Other complex services, such as SmartRing® service, not currently supported by EDI are handled in the same manner for both CLEC customers and BST retail customers. BST witness Jane Sosebee described the significant amount of manual paper work and telephone calling necessary to process some complex service orders for BST's retail customers. The fact that a CLEC customer may have to experience this same manual ordering process for

these same services does not place the CLEC at a competitive disadvantage with BST.

BST's existing EXACT interface also allows CLECs to order interconnection trunking and other more infrastructure-type unbundled network elements. The Commission notes that the EXACT ordering system is the same industry-standard interface used by BST for processing access service requests from interexchange carriers.

The testimony of Ms. Calhoun and Mr. Stacy demonstrated that these systems are operational and are capable of processing a sufficient number of orders to permit meaningful competition in South Carolina. The Commission observes that BST's harshest critic of the capacity of these systems--AT&T--did not produce a policy witness in these proceedings whom the Commission could question regarding AT&T's plans to begin offering local service in South Carolina. AT&T's claims of "insufficient capacity" ring hollow when AT&T is not willing to even share with the Commission its plans to provide South Carolinians with a choice of local service providers.

The capacity of the EDI ordering system, including the mechanized order generation capability, has been verified as being at least 5,000 local service requests per day, which is the capacity for which this system was initially designed based on forecasted ordering volumes supplied by CLECs themselves to BST. Additional capacity is available for rapid turn up that would

double the capacity to 10,000 orders per day. As Mr. Stacy confirmed, CLEC ordering activity to date has not come close to approaching the forecasted volume. Compliance with the Act does not require BST to build out capacity for which there is no reasonable expectation at this time. BST will continue to forecast ordering volumes based on CLEC input. Also, although EDI is the industry standard interface for CLEC ordering, BST has made ordering an additional optional capability available through its LENS interface.

3. Maintenance and repair.

Ms. Calhoun testified that CLECs may access maintenance and repair information in substantially the same time and manner as BST. For design circuits, BST provides CLECs with the same real-time electronic trouble reporting interface that is available to interexchange carriers. CLECs also have access to the same local exchange service trouble reporting system that BST uses for its retail customers -- the TAFI system. The TAFI system, which analyzes troubles, initiates testing, and provides CLECs with recommendations for clearing the trouble, is the same as the TAFI system used by BST. The only difference is an electronic and nearly instant security check that verifies that a CLEC is accessing only its customers' information.

Mr. Stacy testified that BST tested the CLEC version of TAFI to ensure it functioned properly before offering it to the CLECs. From March 17 through April 16, 1997, a group of BST

repair attendants used the CLEC version of TAFI to process about 10,000 trouble reports from real customers. The CLEC version of TAFI worked in the same time and manner as BST's TAFI.

TAFI currently will support 65 simultaneous users with the volume of 1300 troubles per hour. BST is in the process of activating a second processor that will double the capacity to 130 simultaneous users. Furthermore, a "hot spare" for TAFI that can be activated almost immediately and would increase capacity by an additional 65 users for a combined total of 195 simultaneous users and 3900 troubles handled per hour. The current capacity far exceeds usage to date and forecasted usage in the immediate future.

4. Billing

CLECs have electronic access to daily billable usage data, through which CLECs have access to the data they need in substantially the same time and manner as BST. Mr. Stacy testified that these billable usage files are generated through the same mainframe-based systems that have been used to bill for IXC's for quite some time. With existing spare capacity, BST has identified no constraints to its capacity to process daily usage files for CLECs.

5. Bona Fide Request Process

Though not specifically addressed in the Act, the Bona Fide Request process provides a method by which BST can satisfy its duty under the Act to provide nondiscriminatory access to network

elements as requested by any telecommunications carrier. The Commission agrees that this is appropriate for inclusion in the Statement to recognize that new entrants may, over time, desire additional capabilities not specifically mentioned in the checklist.⁴

BST has jointly developed a Bona Fide Request process with AT&T to request a change to services and elements including features, capabilities or functionality. The Bona Fide Request process was not a subject of dispute in the BST-AT&T arbitration. This process is available to any new entrant with a need for interconnection or unbundled capabilities not included in the Statement. This process addresses procedures and time frames for requests such that each party fully understands the progress of each request.

In sum, the Commission concludes that BST's Statement provides CLECs with nondiscriminatory access to network elements in accordance with the requirements of the Act.

Checklist Item No. 3: Nondiscriminatory access to poles, ducts, conduits, and rights-of-way in accordance with the requirements of Section 224

In Section III of the Statement, BST offers access to poles, ducts, conduits and rights-of-way to any CLEC via a standard license agreement. Mr. Milner testified that, as of the hearing,

⁴ Further, the Commission has not addressed bona fide requests in either generic proceedings or arbitration proceedings. Handling of bona fide requests has not been an issue for arbitration between the parties. BST has, however, negotiated agreements with new entrants that provide for handling of such requests. The inclusion of such a process should also provide assurance to the parties operating under the Statement that they will be able to request additional capabilities over time.

13 CLECs have executed license agreements with BST to allow them to attach their facilities to BST's poles and place their facilities in BST's ducts and conduits. Nine of those license agreements are with CLECs who are authorized to provide service in South Carolina. Further, Mr. Milner noted that BST has been providing cable television companies and power companies with access to poles, ducts, conduits and rights-of-way in South Carolina and throughout its region for many years. No party to this proceeding introduced any evidence to dispute BST's testimony that access to poles, ducts, conduits and rights-of-way is functionally available from BST.

Checklist Item No. 4: Local loop transmission from the central office to the customer's premises, unbundled from local switching and other services

The local loop is a dedicated facility, (e.g., a cable pair) from the customer's premises to the main distribution frame of the serving central office. This checklist item, as well as checklist items 4-7 and 9-12, are functions and capabilities associated with a switch, and thus are only necessary for a facilities-based CLEC that has its own switch. By choice, no CLEC has placed a switch in South Carolina, although ACSI has stated its intention of doing so at some indefinite time in the future. The CLEC's failure to request these items does not translate into a failure to meet the checklist because, as Mr. Milner and Mr. Scheye testified, each of these functions and features is available in the Statement.

In Section IV of the Statement, BST offers several loop types that CLECs may request in order to meet the needs of their customers. According to Mr. Milner, BST has technical service descriptions outlining unbundled loops and subloops that are available from BST, and BST has implemented procedures for the ordering, provisioning, and maintenance of unbundled loops and subloops. While as of yet no CLEC in South Carolina has requested any unbundled loops from BST, as of June 1, 1997, BST had provisioned 2,654 unbundled loops to CLECs in its nine-state region.

Further, Mr. Milner testified that BST has also conducted testing to verify that unbundled local loop transmission is available to CLECs. Specifically, BST has tested the availability of 1) 2-wire and 4-wire unbundled voice loops; 2) 56 Kbps and Basic Rate Interface unbundled digital loops; 3) unbundled DS1 with bundled interoffice transport; 4) ADSL capable loop; and 5) HDSL 2-wire and 4-wire capable loops. BST has generated orders for these items and those orders flowed through the BST system in a timely and accurate fashion. Based upon the record before it, the Commission concludes that BST has met this checklist item.

Checklist Item No. 5: Local transport from the trunk side of a wireline local exchange carrier switch unbundled from switching or other services

There are two types of local transport--dedicated and common. Dedicated transport is used exclusively by a single

carrier for the transmission of its traffic. For example, a CLEC switch can connect directly to a BST switch through the use of dedicated transport. Common transport is used to carry the traffic of more than a single company for the transmission of their aggregate traffic. Common transport can connect a BST end office to another BST end office or to a BST tandem. When a tandem switch is involved, a separate charge for tandem switching would apply in addition to the transport rates. This is similar to the application of a tandem switching charge for interconnection at a tandem switch.

BST offers unbundled local transport in Section V of its Statement with optional channelization for such local transport from the trunk side of its switch. BST offers both dedicated and common transport for use by CLECs, including DS0 channels, DS1 channels in conjunction with central office multiplexing or concentration, and DS1 or DS3 transport. Mr. Milner testified that BST has technical service descriptions outlining both dedicated and shared interoffice transport, and has procedures in place for the ordering, provisioning and maintenance of these services. While no CLEC in South Carolina has yet requested dedicated local transport from BST, BST has provided 716 dedicated trunks providing interoffice transport to CLECs in BST's nine-state region as of June 1, 1997. Further, BST has tested its methods and procedures for these services and has demonstrated its ability to place these facilities in service and

generate a timely and accurate bill for them. The Commission concludes, therefore, that unbundled local transport is functionally available and that BST has met this checklist item.

Checklist Item No. 6: Local switching unbundled from transport, local loop transmission, or other services

Mr. Scheye testified that local switching is the network element that provides the functionality required to connect the appropriate originating lines or trunks wired to the main distributing frame, or to the digital cross connect panel, to a desired terminating line or trunk. The most common local switching capability involves the line termination (port) and the line side switching (dial tone) capability in the central office. The functionality includes all of the features, functions, and capabilities provided for the given class of service, including features inherent to the switch and the switch software and includes vertical features, such as Call Waiting. It also provides access to additional capabilities such as common and dedicated transport, out-of-band signaling, 911, operator services, directory services, repair service, etc. The CLEC in purchasing unbundled local switching will determine which vertical features it wishes to activate and which additional unbundled elements it wishes to use in conjunction with the unbundled switching.

In Section VI of the Statement, BST offers a variety of switching ports and associated usage unbundled from transport,

local loop transmission and other services. These include a 2-wire and 4-wire analog port, 2-wire ISDN digital and 4-wire ISDN DS1 port, and 2-wire analog hunting. Additional port types are available under the Bona Fide Request process.

Mr. Milner testified that BST has technical service descriptions and procedures in place for the ordering, provisioning and maintenance of its switching services. Further, BST has tested its methods and procedures for these services and has demonstrated its ability to place these facilities in service and to generate a timely and accurate bill for them. While no CLEC has yet ordered unbundled switch ports in South Carolina from BST, BST had 26 unbundled switch ports in service as of June 17, 1997, thus evidencing the functional availability of unbundled local switching from BST. Although Mr. Hamman testified that BST had failed to make direct (selective) routing available to AT&T, the record reveals that AT&T has not requested the use of selective routing in South Carolina. Mr. Milner specifically testified that BST could provide selective routing in South Carolina upon request. Further, there was no evidence presented to demonstrate that BST would refuse such a request from AT&T once it was made.

Mr. Milner testified that BST has tested its selective routing service, which allows CLECs to route 0+, 0-, and 411 calls to an operator other than BST's or to route 611 repair calls to a repair center other than BST's through the use of line